

Dexter City Update

Spring 2018

Volume 4, Issue 1

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State of the City

By Shawn Keough, Mayor

Executive Summary

The state of the City of Dexter is strong and the atmosphere of our town is vibrant. Our town continues to thrive as a home for many, an educational center for the kids of the greater Dexter community, and an entertainment and recreational destination for residents and visitors. The City has continued to focus on providing safe, secure infrastructure and responsive public services. We have added to our park and trail networks in the past year, building on our belief that access to recreation and our natural surroundings contributes to a desirable community. We continue to take pride in keeping our streets and town clean. Our community taxable value continues to increase overall. Despite a small increase in 2016-2017, our tax (millage) rate is still the lowest of any City in Washtenaw County. All in all, I believe we are all very lucky to call the City of Dexter our home.

We are not without our challenges. We have many ideas on how to improve our community even more, but the sum of those ideas currently outweigh the resources to accomplish everything at one time. We have worked hard to maintain our fiscal discipline each year, to pay down debt, to build reserves to address unfunded liabilities and to plan for the future. As we look ahead, we will need to continue to make reasonable choices that are fiscally responsible and focused on addressing areas of need. Transparency in those choices will continue to be the foundation for our future. Thus, we have taken a balanced approach.

Introduction

November 20, 2017 marked the 3rd anniversary of the City of Dexter filing of our City Charter. In accordance with the City Charter, it is my extreme honor and privilege to present this State of the City message. It includes an overview of the many things taking place in the City of Dexter, especially as they relate to your City government, your tax dollars and the services and manner in which they are being provided. Our City Council and staff have been entrusted with the responsibility of looking out for the long term best interest of the City of Dexter. My goal in this newsletter is to describe how your tax dollars are being used to create a high quality of life and a safe place for all of our residents, businesses and visitors. It also includes some of the challenges that we will face in the years ahead and shares some fun facts about how we are doing as a City overall.

A Stable and Consistent Approach

While there were many new ideas discussed over the past couple of years, City Council continued our stable and consistent approach to open, fiscally responsible government. The 2016-2017 Fiscal Year ended on June 30, 2017 and we had another year where our spending was less than our revenues. We increased our savings by \$370,000 (General Fund) and we reduced our debt by \$917,000 (all

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funds). We made decisions that addressed our present needs and had many discussions that set the direction for our future. While City Council's job is to set policy, we have a tremendous staff that implement those policies and manage our town on a daily basis. Keeping our town safe, both from a public safety and public infrastructure perspective, and making sure our downtown, parks and streets are clean and open to our residents and visitors are still top priorities. Delivering our core services with excellence continues to be paramount. Services like leaf and brush pick up, snow plowing, police and fire rescue and organized refuse are a few of our core services that remain unchanged (although we did purchase a new leaf collection machine to improve the efficiency of this service). While our newer City responsibilities for additional tax collection for other entities (i.e. Dexter Community Schools, Washtenaw County, Dexter District Library), assessing, and running elections have evolved nicely, our staff size has remained essentially the same. Our residents and our small-town charm still guide our decision making.



Our Tax Structure - The Backbone of Public Services

Most residents are aware that we operate on a fiscal year that begins on July 1st and ends on June 30th of the following year. We are in the middle of the City of Dexter's 2017 – 2018 Fiscal Year and have already started planning for the next fiscal year 2018 – 2019. Each year in the months of February and March, City Council holds two or three public goal setting sessions to review and discuss priorities and goals for the upcoming fiscal year. Following the goal setting, a draft budget is prepared by our staff for Council review based on the goals discussed and established by Council. Our budgeting process includes a draft budget that shows two years of projected revenue and expenditures and also a five-year financial projection. These tools allow us to review the impacts of short term projects and see the effect of longer term initiatives. We use the budgeting process to review and reinforce our disciplined approach to our long term fiscal responsibilities. After the goal setting, staff and Council work together in April and May to refine the draft budget and set the millage

rate. In June of each year, Council adopts a budget document that outlines the way that the tax revenue is programmed to be used for the new fiscal year that starts on July 1st.

The budget document is presented in a line item by line item format to describe our revenues and our expenditures. The budget document outlines the costs of services, and the cost of our staff that oversees the implementation of the services. It serves as a guiding document for staff and Council based on the priorities established by City Council, with input from residents. Our budget document is available on the City website and I would like to encourage every resident to review it.

The tax structure for the current 2017 – 2018 Fiscal Year is very similar to the previous tax years. At the start of the 2016 – 2017 fiscal year, City Council raised the general fund tax rate by 0.25 mills to build a reserve fund for capital equipment purchases for our fire and emergency rescue services. During the current fiscal year, residents and property owners in the City of Dexter paid a total of 14.3062 mills in City taxes. Residents may also be aware that the 20-year General Obligation (GO) Millage, established by a vote of the people in 1996 for the downtown streetscape, ended during the 2016 – 2017 fiscal year. City Council voted to keep the overall total City tax rate of 14.3062 mills during the 2017 – 2018 Fiscal Year. This was accomplished by raising the General Fund tax millage by the same amount as the expired GO millage.

A summary of our current tax structure for fiscal year 2017 – 2018 in comparison with the City Charter and previous fiscal years is presented on the table on the next page:

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City of Dexter – Tax Structure					
Purpose	Original Maximum Rate established by the City Charter (1)	2017 Allowable Headlee Rate	2015 – 16 Tax Structure	2016 – 17 Tax Structure	2017 – 18 Tax Structure
General Obligation Bond	2.0 mills	This voted tax expired in 2016.	0.6276 mills	0.6581 mills	This voted tax has expired.
General Operating	12.5 mills	12.339 mills	9.9906 mills	10.2406 mills	10.8987 mills
Street Fund	5.0 mills	4.9356 mills	3.4380 mills	3.4075 mills	3.4075 mills
Total	19.5 mills	17.2746 mills	14.0562 mills	14.3062 mills	14.3062 mills

- 1) Please note that the General Obligation Bond was voted in place in March of 1996 by the residents of the Village of Dexter. The original rate was not established by the City Charter, but is included in this table to illustrate the how the General Operating millage was increased in 2017 - 2018.

Dexter is proud to have the lowest city millage of any City in Washtenaw County. In total, City of Dexter residents pay a total of 45.3873 mills (homestead). Our homestead millage rate is lower than the Cities of Ann Arbor, Chelsea, Milan, Saline and Ypsilanti. Our City of Dexter millage rate of 14.3062 mills is also the lowest in Washtenaw County (by 0.635 mills) when compared to those other 5 Cities.

	City Tax Rate	Total (Homestead)	Total (Non-Homestead)
Ann Arbor	16.8250	49.0725	62.3118
Chelsea	14.9412	46.5474	64.5474
Dexter	14.3062	45.3873	63.3873
Milan	16.9906	52.8704	70.8398
Saline	16.2800	47.3444	65.3444
Ypsilanti	34.2121	65.9786	83.8365

Source: 2017 Washtenaw County Apportionment Report

As you can see from the tax structure chart above, there are 2 primary tax collection funds that make up the sum of our 14.3062 mill City tax structure. The two funds are our General Operating Fund and our Street Fund. A brief explanation of the expired General Obligation Bond and the two current tax categories are described below:

General Obligation Bond

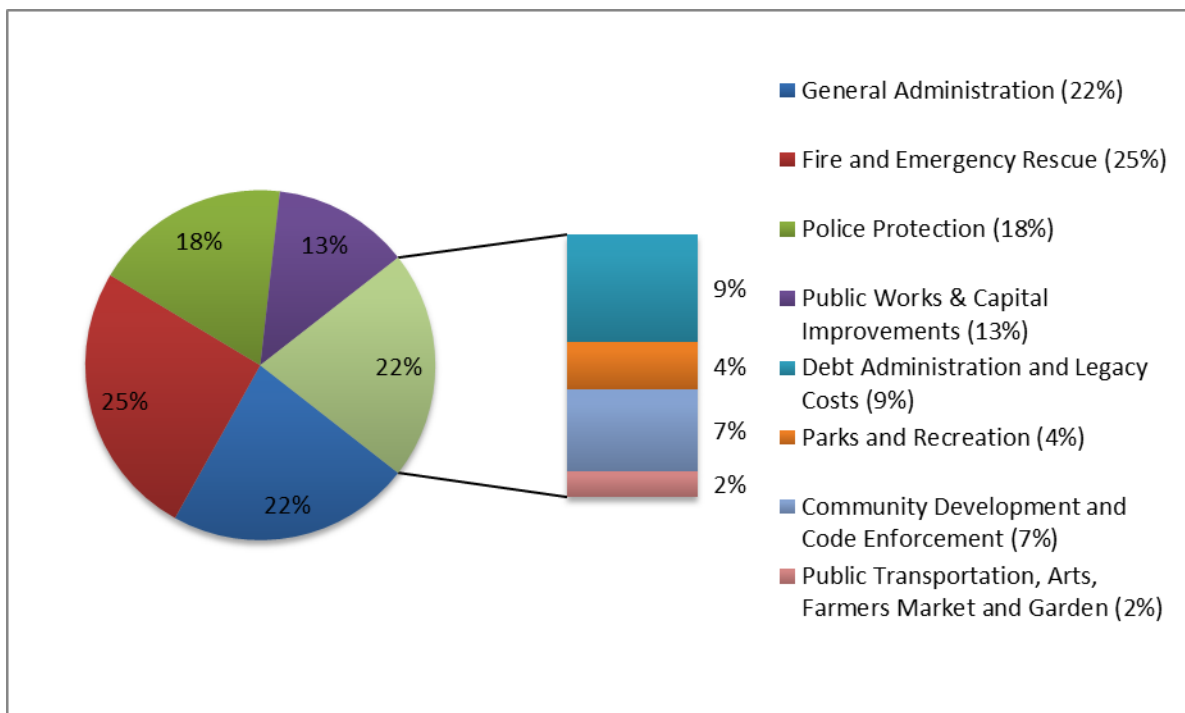
The General Obligation (GO) Bond tax was established by a vote of Dexter residents in March of 1996 to pay for the downtown streetscape improvements that were made at that time, including new roadway, parking, decorative brick pavers, decorative lighting and traffic signals. The original limit of 2.0 mills was established when the taxable value of our community was much lower. As (the Village's, now) the City's, taxable value has increased, the tax rate required to pay the debt service on the GO Bond was set each year. This tax expired with the last payment in May 2017. Effective July 2017, residents no longer see this tax on their summer tax bill.

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General Operating Fund

The City's General Operating millage (10.8987 mills) supports the City's General Operating Fund. The City's General Operating Fund is the portion of the City budget that is responsible for many of the public services that are provided to our residents. The revenue collected by the General Operating millage pays for:

- Police protection: \$581,000
- Fire and emergency rescue: \$815,000
- Public works: \$404,200
- Parks and recreation: \$122,200
- Community development, code enforcement, and zoning compliance: \$209,300
- Public transportation, arts, farmers market and garden: \$65,100
- General Administration: our staff that help manage, oversee and implement these departments and services on a daily basis: \$720,200



We are in a good position to continue funding the same essential services that our citizens expect and want.

Our Solid Waste collection fee remains unchanged again this year at \$17.50 per month. This fee is collected as part of your bi-monthly utility bill. Our refuse and recycling contractor (Waste Management) agreed to hold their residential curbside collection fees through March 2019. This monthly fee also covers the cost of leaf pick up, brush collection, and Christmas tree pickup.

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Street Fund

The City's Street millage (3.4075 mills) helps cover the cost of taking care of our major and local streets. The City receives additional funding, commonly referred to as Act 51 Funding, from the State of Michigan for each mile of major and local street in our network. The City receives more funding per mile for each mile of major street. Baker, Broad, Central, Dan Hoey, Dexter Ann Arbor, Fourth, Hudson, Main, Second and a small portion of Third between Broad and Central meet the State's criteria for major streets and have been designated as the major streets in the City of Dexter. The remaining streets in Dexter are considered local streets according to the State designation. The State funding alone is not enough to take care of our streets. The combination of State funding and the revenue generated from the City of Dexter Street millage covers the cost of sweeping streets, plowing snow, maintaining our streets, alleys, sidewalks, traffic signals, signage, and storm water drainage systems as well as the cost of the staffing, equipment and materials (i.e. salt, asphalt, etc..) required to provide these important services. We are lucky because we do not have any State Highways or major County roads that go through the City. Our roads are under our jurisdiction and we are able to make local decisions regarding how and when to maintain them.



In 2015, the City partnered with the Road Commission to fund a traffic and safety study of the Baker Road/Dan Hoey/Shield intersection area to plan for much needed safety improvements in that part of our community. Upon completion of the study, the Road Commission, Scio Township, the Dexter Community Schools and the City hosted public meetings and selected two roundabouts as the preferred alternative to improve safety at these busy intersections. In 2016, the Baker Road/Dan Hoey/Shield Road improvement project was rated as one of the highest priority projects in the County. As a result, in April 2017, the project received \$1,300,000 for construction funding through a Federal Congestion

Mitigation and Air Quality (CMAQ) grant. The project is currently being designed and is planned for construction in the summer of 2018. We should also mention that Baker Road will be resurfaced from Hudson to Dan Hoey as part of the roundabout project in summer 2018. Many thanks to our community partners and the Road Commission for their assistance and cooperation in working together to improve our community.

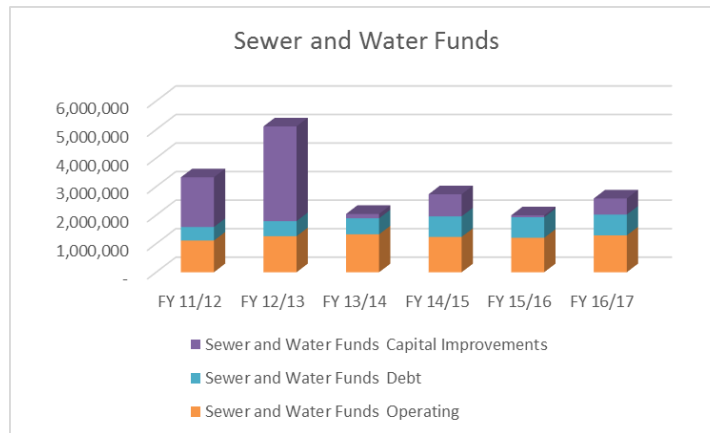
Our road improvement plan continued in 2016 with a focus on maintenance techniques such as crack sealing, microsurfacing and cape sealing. These techniques, when applied appropriately and timely, prolong the life cycle of our streets, extending the value of the original street investment. Our road improvement plan continued in 2017 with a reconstruction/drainage improvement project on Hudson Street between Forest and Baker.

Residents are reminded that the City has qualified for future federal funding for road improvements to Central Street between Third Street and Fifth Street. The Central Street reconstruction project has qualified for \$520,000 in federal road funding in 2019. The reconstruction project will continue many of the same streetscape elements completed in 2014 between the Mast Road Bridge and Third Street.

Last, but not least, a portion of our street funds are used each year to keep our town walkable and accessible to all. The City's annual sidewalk improvement project will continue again this year with a focus on uneven sidewalk areas and improvements to ADA ramps.

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Water and Sewer Funds



The City's Water and Sewer Funds are often referred to as Enterprise Funds. These funds are not covered by the tax structure described above. The funding for our water and sewer funds comes directly through water and sewer rates paid by City users. The City's water and sewer rates are established each year in June by a vote of City Council following a public hearing. Both funds are managed so that they are self-sustaining, which means that the rates our residents pay each year should cover the costs of operating and maintaining our public water system and public sewer system. Each fund maintains a reserve balance in case of emergencies.

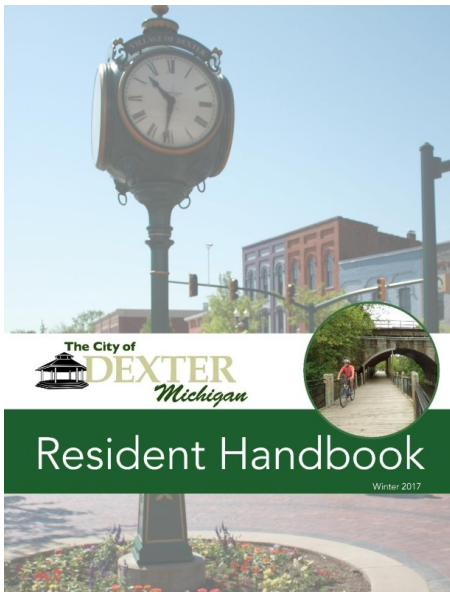
Our water and sewer systems are essential components of the core of the City's infrastructure and are a vital part of providing a safe and healthy community. The City has 7 full time staff assigned to operate, maintain and manage our water and sewer systems.

Our water system remains safe and in very good condition, due in large part to significant investment that has been made over the past several years. Our water system consists of two well fields (with 5 total wells), a filtration plant, a distribution system, and a water tower. The two well fields are separate and pull water from independent aquifers. This provides redundancy during periods of high use and our staff operate the two fields in such a way that we allow each aquifer the proper time to recharge. Residents should be aware that we are currently saving to complete upgrades to our water tower and have made recent improvements to the iron removal filters. The investments we have made in our water system are essential in order to provide safe drinking water and fire protection for all of our residents and businesses. Please note that the City will continue to operate during the summer months on mandatory outdoor odd-even watering restrictions. Not only is it environmentally prudent to conserve our water supply, we do not have the capacity to continually stress our aquifers during high demand periods. The watering restrictions allow for the safe recharge of our two aquifers and show an appreciation for this most valuable resource. Please help us conserve our water.

Our sewer system is also in relatively good condition, although many of the sewers are older in age. As part of a \$300,000 grant project (SAW), we will be televising many of our older sewers to observe their condition. Our wastewater treatment plant (WWTP) is approximately 40 years old and we have continued our recent focus to make improvements to the plant. In 2016, we completed improvements to the aeration process by completing electrical system upgrades and replacing one of our blowers with a newer, more energy efficient model. Residents may recall that in 2015, we completed sludge digester improvements. We have found that these improvements have been successful in lowering our energy costs through sustainable design and reuse of energy. We re-use the methane gas from the digesting process to power the WWTP daily. We are currently designing improvements to the headworks and tertiary treatments systems of the WWTP. The term headworks refers to the initial mechanical components at the WWTP where stones, grit, sticks, sand and other inorganics are removed from the wastewater to reduce wear on the downstream treatment components of the WWTP. Our wastewater treatment plant operates well, and we are consistently meeting our wastewater discharge limits in accordance with our State of Michigan permit, however we must continue to invest to keep it operating properly. The State of Michigan has recently set a lower limit on the amount of phosphorus that can be discharged from the plant into the Huron River. The tertiary treatment project will help the plant to continue to meet these lower limits in a cost-effective manner. This is further proof of our commitment to protect Mill Creek and the Huron River, all part of the wonderful environment that we live near.

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Communication and Transparency



Communication and transparency continue to be a very important part of our local government. We strive to excel in both areas every day. Our website is full of information about upcoming events and meetings. Our staff utilizes the website (www.dextermi.gov), our City Facebook page (<https://www.facebook.com/City-of-Dexter-Michigan-261417684307/>) and our Email Update system to regularly share all types of information. All our City Council, Planning Commission and other Board packets are available on line in advance of the public meetings. We are working hard to make sure our residents have access to the information that is being used to make decisions. If you are not signed up to receive emails via our email update system, please send your name and email address to our City Manager, Courtney Nicholls at cnicholls@dextermi.gov and she will get you signed up.

We regularly send letters to residents about upcoming projects, tree trimming and strive for up to 4 newsletters per year. This year we also created a Resident Handbook that was mailed to all residents as a comprehensive resource for information on City services. We will continue to hold open forums on larger topics whenever that is necessary. As your Mayor, I will personally continue to prepare a written report of my activities and conversations for each

Council packet. These are examples of our commitment to share information. Please feel free to provide feedback on how we are doing.

Recognition

Dexter's success as a community is the result of many people who care and invest their time in many ways. I would like to recognize and thank all the members of City Council, our many Boards and Commissions and our staff for their dedication and commitment to serving our community. Their energy and passion are the driving force behind our success. My sincerest thank you to each of you for all your hard work!

Challenges Ahead

As we look to the future, the City of Dexter will continue to discuss and develop plans to address several key objectives. We need to continue to prepare and save for our unfunded liabilities. We need to continue to address the rising cost of fire and rescue services. We need to improve our public facilities, save for capital projects, and develop a vision for the redevelopment of the old DAPCO site. The following is a brief description of the status of each objective as it stands today:

"Stick to the Plan" to prepare for our long term unfunded liabilities:

- Continue to reduce our unfunded pension liability – the City has approximately \$720,000 in unfunded liability related to long term pension benefits for current and retired employees. While the City no longer offers a defined benefit plan and has opened defined contribution plans for new employees, we still need to invest annually in order to fund the pension benefits that were previously promised. The City's defined pension plan was 67% funded in 2008. As of December 31, 2016, the system is 82% funded. We just need to stick to the plan and keep saving. In 2017-2018 the City will invest \$231,000 toward this initiative.

State of the City

- Continue to save money for retiree health care obligations – the City has saved approximately \$1,300,000 toward our future long-term retiree health care obligations. While the City no longer offers this benefit to new employees, we need to continue to save money in order to pay for the health care costs of our current employees as they retire. Current actuarial evaluations have shown that the City needs to save approximately \$2,100,000. The City had \$0 saved in 2008. We are currently saving a minimum of \$100,000 per year to build this savings account.

Address the Rising Cost of Fire Services:

- We must work with the Dexter Area Fire Department (DAFD) and our community partners (Webster Township and Dexter Township) to reduce the unfunded firefighter pension liability – like many public entities, DAFD simply has not set aside enough money in previous years to cover the cost of future pension liabilities. DAFD has made some structural changes such as switching all new firefighters to a defined contribution plan. Their current defined pension plan is only 59% funded resulting in a shortage of \$600,000.
- We must work with DAFD and our community partners (Webster Township and Dexter Township) to plan for the unfunded retiree healthcare liability – like many public entities, many of our current firefighters were promised health care coverage when they retire. DAFD currently has 11 employees that are eligible for this benefit. To date, DAFD has not saved any money toward this future cost. We need to get a plan in place to save/invest money today toward this future cost. The current estimate of this long-term obligation is approximately \$2,000,000.
- Plan for Capital Equipment and Apparatus Expenditures – the DAFD Board, with assistance from our Fire Chief, has developed a 30-year capital improvement plan (CIP). The CIP outlines the expected useful life and future replacement costs of various equipment and apparatus. The plan calls for an investment of approximately \$500,000 annually (collectively from the 3 communities) to fund the replacement of equipment at the appropriate time. The City currently sets aside \$100,000 in a Restricted Fire Department capital replacement account.
- The cost of operating DAFD has doubled over the last 8 years from \$964,050 in 2009 to over \$2,000,000 in 2018. This has resulted in the Village/City's share of that cost to increase from approximately \$304,000 in 2009 to over \$730,000 in 2018. While we absolutely cannot live without these public services, we must be proactive in managing this service and in setting aside capital reserve dollars (currently approximately \$100,000 per year) in our general fund to cover the increases in capital expenses. It is likely that the cost of this service will continue to increase as we develop a plan to save money to cover the unfunded liabilities.

Improve our Public Facilities:

- We need extra storage space for our Department of Public Works - while the new DPW building that was built in 2006 continues to serve us very well, we need additional storage space for seasonal equipment such as the new leaf machine.

Dexter Fun Facts

Fiscal Responsibility

MERS Pension Funding

In 2007, the City's Defined Pension Fund had \$2,046,134 in assets and was 73% funded. As of December 2016, the City has \$3,253,800 in assets and was 82% funded.

Other Post Employment Benefits (OPEB) Funding

In 2008, the Village hadn't saved any money to cover our long-term retiree health care costs (commonly referred to as OPEB costs). As of December 2017, the City has saved \$1,300,000 to cover these future costs.

Millage Rate

In 2008, the Village's total millage rate was 13.5562. In 2017, the City's millage rate is 14.3065, still the lowest of any City in Washtenaw County.

Bond Rating

In 2000, the Village's Bond Rating was BBB (or Medium Grade). In 2017, the City's rating is AA (considered a High Quality Investment Grade).

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- We need more useable office space for City Offices – our current space (1,700 square feet) above the PNC Bank building is woefully inadequate. Our employees deserve a better working space and our residents deserve a facility that properly represents our public image. We are evaluating shorter term options to rent or purchase additional space as well as looking at longer term options like building or renovating an existing space. Addressing our City office situation should be a top priority for Council as our administration takes on more and more things to manage.
- We need upgrades at our current fire station – the current fire station sits in a location that provides very good regional coverage (i.e. response times) within the City and to the surrounding area. The current station on Main Street continues to serve the community very well with respect to responding quickly across the district. The current Main Street station, however, is nearly 60 years old. A recent evaluation of the existing building concluded that it is structurally still very sound and that renovations are very possible and cost effective versus building a new station. Among our key needs are longer and wider bays for new equipment, more modern living areas and operational spaces and upgrades to meet current building codes. City Council is evaluating the option and feasibility of renovating the current station. City Council has also considered alternate locations for a new fire station (i.e. at City property on Dan Hoey or on vacant property on Dexter Ann Arbor Road across from Mill Creek Middle School), however, relocating the Main Street station to these other sites is more expensive and would not improve overall response times to the district. Service remains the top priority and it doesn't make a whole lot of sense to increase response times when it comes to providing fire and rescue services.
- All of the discussions related to facility improvements are ongoing.

Redevelopment of the Old DAPCO Site (3045 Broad Street)

- Finalize agreement to remove DTE substation – the City and Downtown Development Authority (DDA) collectively own all the property in this area except the DTE substation. The City and DDA recently have approved an agreement with DTE to remove the existing substation on Broad Street, which will allow greater flexibility to future development of the old DAPCO property.
- Agree on a redevelopment plan – the City and DDA are currently partnering with Norfolk Homes to come up with a redevelopment plan for the property. One public meeting was held to solicit community feedback and ideas for the redevelopment of this property. Residents are encouraged to attend future public meetings and participate as concepts and ideas are discussed.
- City/DDA goals for the property include finding a development that “fits” Dexter, one that compliments the park, adds taxable value and adds residents to the downtown. Additional factors that are being considered include traffic circulation, parking, access to the trail system and pedestrian connectivity.

Dexter Fun Facts

Funding for Public Services

Taxable Value

In 2007, the taxable value of the Village's real property was \$198,134,385. In 2017, the taxable value of the City's real property has increased to \$215,816,959. Our increased tax base provides more tax dollars for public services and other general fund items like parks, code enforcement and art in our community.

Police Costs

In Fiscal Year 2006/2007, the Village paid \$384,000 to provide Police Services through the Washtenaw County Sheriff's office. In Fiscal Year 2016/2017, the City paid \$571,100 for the same Police Services.

Fire Costs

In Fiscal Year 2006/2007, the Village paid \$329,000 to the Dexter Area Fire Department for Fire and Emergency Rescue Services. In Fiscal Year 2016/2017, the City paid approximately twice that amount \$658,800 and saved \$100,000 for future capital equipment needs.

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Find funding for other Capital Improvement Projects

- The General Fund has many competing interests. Most of the objectives described above compete for your General Fund tax dollars.
- The City's Capital Improvement Plan includes many projects that will also compete for General Fund tax dollars. Projects such as extending the Mill Creek Park trail south to the Schools, and upgrading First Street Park are a couple of projects that we hope to fund in the near future.

Redevelopment is Occurring

Two redevelopment projects and one new commercial development are likely to begin in 2018. The first redevelopment project at 150 Jeffords was recently re-approved by the planning commission and city council and involves the construction of a 4-story mixed use building along Jeffords. The project will add a total of 22 residential condominiums on the upper floors as well as two first floor commercial spaces. The original site plan for this project was approved back in 2007, but was never constructed due to the economy. Over on Grand Street at Baker, a 76-unit residential development will begin construction in place of the old warehouse. The redevelopment will Brownstones along Grand, as well as several multi-family and duplex style housing units. Both of these residential developments will add some diversity to our housing stock in the City.

A new day care facility was approved for construction on Dexter-Ann Arbor Road near Eaton Court. All 3 of these developments are located within the City's Downtown Development Authority.

Tax Tribunal Update

The City of Dexter and the Dexter Downtown Development Authority (DDA) continue to be intervening parties to a tax challenge submitted by the Chelsea Wellness Foundation (CWF) to the Michigan Tax Tribunal regarding their Dexter Wellness Center property. The CWF initially disputed their taxable status and taxable value for tax year 2014 and 2015. The taxable value was initially determined by the Scio Township Board of Review in March of 2014 following CWF's purchase of that property in late 2013. The CWF feels that the Dexter Wellness Center property should be tax-exempt and that they should not have to pay any taxes because they own the building and property. The City and DDA asked to intervene on this challenge to protect approximately \$110,000 in tax revenue for the DDA (over \$300,000 in total taxes to all entities). The City and DDA do not feel that the fitness center (with a taxable value of over \$5,000,000) qualifies for tax exempt status. As of January 2018, this case has been presented for selection to the Michigan Supreme Court. The Tax Tribunal initially ruled in favor of the City and DDA, but that ruling was overturned in October 2017 by the Michigan Court of Appeals. Because of the long-standing implications to the tax law (not just in Dexter, but across the entire State), the City and DDA have requested that the Michigan Supreme Court take up a review of this case. While we await their decision, I would like to

Dexter Fun Facts

Quality of Life

Recycling

In 2009, the Village residents recycled 259.8 tons of re-usable material. In 2017, the City residents recycled 298.3 tons of re-useable material.

Acres of Parkland

In 2011, the Village had 8.84 acres of parkland. In 2017, the City has 13.16 acres of parkland, adding to the quality of life for our residents and visitors.

Vacant Lots

In 2005, there were approximately 170 vacant lots throughout the Village. As of 2017, there are only 19 vacant lots remaining.

Trail Usage

In 2017, nearly 312,000 pedestrians and cyclists used the trail from Mill Creek Park to Hudson Mills Metropark. For the same period, approximately 40,000 pedestrians and cyclists used the trail to Dexter Huron Metropark.

Increased Public Art

In 2007, the Village did not own any pieces of Public Art. Today, the City owns 5 permanent pieces of Public Art and has a program for bringing temporary art into the community.

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personally thank everyone that has taken time to encourage the City/DDA to pursue this further. We will provide more of an update once we know if the Supreme Court decides to review the case.

Parks/Trails Updates



Parks and trails continue to be a high priority for the City. In early 2016, the Border to Border (B2B) trail project to Dexter Huron Metro park was finally completed. The path along the railroad at Central Street connects the City to the Metroparks to the east and provides yet another recreational opportunity and destination for residents and visitors.

Pedestrian counters were installed in two places along our trail system – one on the B2B trail to Hudson Mills and the other on the B2B trail to Dexter Huron. In 2017 the trail from Central Street to Dexter Huron was used by 40,045 pedestrians and cyclists while the trail from downtown Dexter to Hudson Mills was used by 311,697 pedestrians and cyclists. Thanks in part

to a \$10,000 donation by the Dexter Lion's Club (and others) and cooperation with the Dexter Community Schools, Lion's Park ("the Blue Playground") at Edison and Fifth Street was constructed in 2016 and adds new playground equipment and recreational opportunities in the heart of our original Village area.

In the upcoming fiscal year, we will be applying for grant funding for Phase 2 of Mill Creek Park. The new trail will extend from the current end point near Forest Lawn Cemetery to the Dexter Community Schools campus near Creekside Intermediate School. Our goal is to apply to the State of Michigan Natural Resources Trust Fund again. This application is due in April 2018 and will be an initiative that is advanced over the next several months. The City has \$185,000 set aside as match funding toward this project.

Summary and Closing

In closing, the state of the City of Dexter is strong, and our town continues to be vibrant and full of activity. While the City of Dexter continues to operate in a solid financial position, there is so much more to our story. Dexter is a wonderful destination full of opportunity, knowledge and fun. Our local economy is diverse and we are thankful for all the local business owners that invest each day in our community. Dexter's small-town charm is symbolic of the spirit of this community. We are lucky to live in a community that cares about each other. Dexter is a unique place where friends become family.

On behalf of the entire City Council and our staff, we are working hard to balance your tax dollars, to provide high quality services, to pay down debt, to save for the future and to create a community with a high quality of life.

If you have any questions or ideas after reading this article, please contact any member of our staff or City Council. We are working together to provide the very best services we can. We appreciate and encourage all feedback.

I hope you have enjoyed reading this special "State of the City" message and our newsletter, and look forward to seeing you around our town!

Thank you,

Shawn Keough, Mayor skeough@dextermi.gov or 313.363.1434 (cell)

State of the City

Dexter Fun Facts

Sustainable Infrastructure and Asset Management

Cold Patch

In 2010, the Village used 9.77 tons of cold patch to fill pot holes in our street network. In 2016, the City used only 6.11 tons to maintain the same network of roads. Our investment in street maintenance has resulted in nearly a 40% reduction in the amount of cold patching required. This is a savings in both material cost and employee time.

Water Main Breaks

Prior to 2009, the Village used to repair an average of 4 water main breaks per year. In 2017, the City had no water main breaks. While we did have one recently on Second Street in January 2018, our investment in our public infrastructure has reduced water loss and made our water system more dependable.

Water Usage

In 2012 (prior to water restrictions), the Village's Average Summer Water Usage was 933,000 gallons per day. The Village's Average Winter Usage was 395,000 gallons per day. In 2017, the City's Average Summer Water Usage was 696,000 gallons per day, while the City's Average Winter Water Usage was 361,000 gallons per day. We are being good stewards of this valuable resource.

Re-useable Energy at our WWTP

Following improvements to our sludge digestion process at our Wastewater Treatment Plant, we are now re-using the methane gas from the sludge digestion process to power our treatment facility. This recent investment results in less natural gas being purchased and a more efficient sludge digestion process, resulting in less sludge being hauled off to be land applied.

Easter Eggstravaganza

The City of Dexter is proud to host the 8th Annual Easter Eggstravaganza on Saturday, March 31st! Come for a fun-filled family experience with egg scrambles, pictures with the Easter Bunny, and face painting! The event will be held at Community Park (3575 Ryan Dr.). The Easter

Bunny will be at the Park from 10 – 11am, and the Easter egg scrambles will begin promptly at 10:30am.

Advance tickets are \$2 per child or \$4 for two or more children. Tickets at the event will be \$3 per child or \$5 for two or more children. To purchase advance tickets,

please visit Dexter City Hall at 8123 Main St., Second Floor of the PNC bank building.

For more information, or to purchase advance tickets, please contact Justin Breyer, Assistant to the City Manager/Clerk at 734-580-2234 or by e-mail at JBreyer@dextermi.gov



personally thank everyone that has taken time to encourage the City/DDA to pursue this further. We will provide more of an update once we know if the Supreme Court decides to review the case.

Coal Tar Ban

In the winter of 2016 the Dexter City Council passed an ordinance banning the use of coal tar based pavement sealants. Serious health concerns have been raised from the use of coal tar based sealants. Coal tar contains chemicals called polycyclic aromatic hydrocarbons (PAHs) which have been identified as a probable human carcinogen. Coal tar is often found in the sealants used on asphalt driveways and parking lots.

Those that apply sealant to driveways and parking lots are required to register with the City of Dexter. Anyone who applies a coal tar or high-PAH sealant may be subject to up to a \$10,000 fine or up to 90 days in jail. To access the City's sealant applicator application, please visit www.DexterMi.gov.

Refuse Pick-Up Day Changes

Beginning Monday, March 12, 2018, the scheduled pick-up day for residential waste collection will move from Friday to Monday. Your first Monday pick up will be on Monday, March 12, 2018.

We appreciate your patience and apologize for any inconvenience this may cause. If you have special concerns that you

need us to address, please call the City of Dexter at 734-426-8303.

DUE TO THE REFUSE DAY PICK-UP CHANGE, PAGE 15 OF THIS NEWSLETTER IS DESIGNED TO REPLACE PAGE 8 OF THE RESIDENT HANDBOOK THAT WAS MAILED TO YOUR HOME IN DECEMBER. YOU MAY PEEL AND STICK IT DIRECTLY INTO YOUR HANDBOOK.

Dexter Farmers Market



The Dexter Farmers Market will open for the season on Saturday, May 5, 2018. Market hours are Saturday from 8 am to 1 pm; and Tuesday from 2 pm to 6 pm.

The Market will host an excellent line-up of produce, annual and perennial plants, and artisan products.

In addition, talented musicians, vocalists, and

artists will provide a lively atmosphere every Saturday.

Please contact the Market Manager, Brenda Tuscano, at 734-580-2230 for more information.

Mandatory Outdoor Watering Restrictions

In an effort to protect our aquifers, conserve water resources, and control our peak hour water demand, the City of Dexter is continuing to enforce outdoor watering restrictions.

Typical daily usage in the winter is between 250,000 and 350,000 gallons of water per day. Optimal summer usage for the water

system is around 700,000 gallons per day.

Outdoor water usage is restricted to odd/even days. Residents and businesses with odd numbered addresses (ending in 1, 3, 5, 7, 9) may do outdoor watering only on odd numbered dates. Likewise, those with even numbered addresses (2, 4, 6, 8, 0) may do outdoor watering only on even numbered dates.

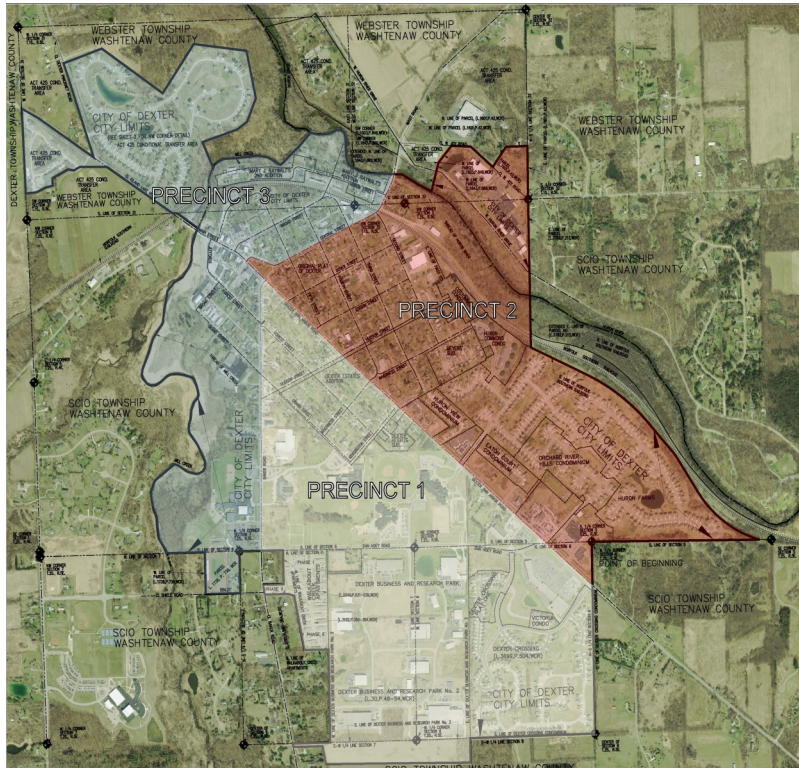
In addition, outdoor watering is prohibited between 6 am and 10 am. A simple adjustment of the start time of your irrigation system control can achieve this.

Thank you for your cooperation as we work to protect and conserve our water resources.

Call for Artists – Paint Dexter Plein Air Festival

Artist registration for the 2018 Paint Dexter Plein Air Festival will open on March 15, 2018. This year the festival will run from Monday, August 13th through Saturday, August 18th. To register, please visit the Paint Dexter website at <http://paintdexter.org/registration/>. We hope that you will join us for a fun week of painting and art sales!

Precinct and Polling Location Changes



In order to reduce wait times at the polls and better serve residents on Election Day, the City of Dexter has made changes to voting precincts and polling places.

Voters in Precinct 2 will now be voting at St. Andrew's United Church of Christ (7610 Ann Arbor St.). The entrance to this new polling location will be off of 4th St., across from the Dexter Area Museum and parking lot.

Precinct 1 has been split into Precincts 1 and 3.

City of Dexter voters residing West of Baker Rd. and those residing North of Central St. will now be located in Precinct 3. Everyone in the former Precinct 1 will continue to vote at the Dexter Senior Center.

New voter registration cards will be mailed to all those impacted by the change. If you have any questions about these changes, please do not hesitate to contact the City Clerk at 734-580-2234 or

jbreyer@dextermi.gov

Other Election News

Absentee Ballots: The next regularly scheduled election for the City of Dexter will be the August 7th General Primary Election. The positions on the ballot include the Governor, State and Federal Representatives, County Commissioner, and various other positions.

The City of Dexter Clerk's Office maintains a Permanent Absent Voter List. The Permanent Absent Voter List is a list of voters who qualify under state law to vote by absentee ballot. All

voters on the Permanent Absent Voter list are automatically sent an **ABSENTEE BALLOT APPLICATION** for each election scheduled in the City of Dexter. To find out whether you qualify to be placed on the list, please call 734-580-2234 or send an e-mail to Jbreyer@dextermi.gov.

The Permanent Absent Voter List Form may be picked-up or dropped-off at the Dexter City Office (8123 Main St., 2nd Floor), or you may access the

form online at www.DexterMI.gov.

Precinct Workers: Applications for City precinct workers are being accepted. Elections are scheduled to be held in August and November in 2018. If you are interested in getting involved with the election process, please complete the application, which can be accessed on the City's website.

Spring
Clean-Up
Day is
Monday,
May 21st.

WEEKLY TRASH AND RECYCLING PICKUP

Garbage collection is contracted through a private solid waste hauler, Waste Management, and is billed to residents and businesses by the City. As part of our contract with Waste Management, each residence is entitled to place one (1) bulk item per week at the curb. This service can be used to dispose of a large appliance, a piece of furniture or other large household items (items with Freon and construction debris are not accepted). Pick up days are as follows:

CITY RESIDENTIAL – MONDAY CITY COMMERCIAL – VARIOUS DAYS

HOLIDAY	DATE
New Year's Day	January 1
Memorial Day	Last Monday of May
Independence Day	July 4
Labor Day	First Monday of September
Thanksgiving	Fourth Thursday of November
Christmas Day	December 25

REMINDERS: When a holiday falls on a weekday, collection will be delayed one day for the remainder of the week. If a holiday falls on a Saturday or Sunday, there will be no delay.

The City also provides for expanded collection of trash, appliances, and other bulky items on the third Monday of May each year. The following guidelines apply:

- All loose material must be contained.
- Appliances and bulky items are limited to what two people can safely lift.
- Items must be out to the curb by 7:00 am.

Trash cans, recyclables, and compost bags should be placed out at the street no earlier than 5:00 pm on Sunday. All materials must be out at the curb by 7:00 am Monday morning.

City of Dexter
8140 Main St
Dexter MI 48130
(734) 426-8303

Mayor:

Shawn Keough

Council Members:

Paul Cousins

Donna Fisher

Julie Knight

Zach Michels

James Smith

Ray Tell

City Staff

Courtney Nicholls,

City Manager

Michelle Aniol,

Community Development

Justin Breyer,

Asst. to City Manager/Clerk

Carol Jones,

Recording Secretary

Dan Schlaff,

Public Services

Marie Sherry,

Treasurer/Finance

PRESORTED
STANDARD
U.S. POSTAGE
PAID PERMIT NO. 100
DEXTER MICHIGAN

The City Offices are located at 8123 Main St, 2nd Floor, above the PNC Bank. Hours are Monday through Friday, 9:00 am to 5:00 pm.

Elected Officials:

Shawn Keough, Mayor: skeough@DexterMI.gov (313) 363-1434

Paul Cousins, Councilperson: pcousins@DexterMI.gov (734) 548-3293

Donna Fisher, Councilperson: dfisher@DexterMI.gov (734) 649-5169

Julie Knight, Councilperson: jknight@DexterMI.gov (734) 426-4961

Zach Michels, Councilperson: zmichels@DexterMI.gov (734) 726-0616

Jim Smith, Councilperson: jdsmith@DexterMI.gov (734) 426-8885

Ray Tell, Mayor Pro Tem: rtell@DexterMI.gov (734) 426-3398

Staff:

City Manager: cnicholls@DexterMI.gov (734) 580-2229

Assistant to the Manager/Clerk: jbreyer@DexterMI.gov (734) 580-2234

Treasurer: msherry@DexterMI.gov (734) 580-2231

Community Development: maniol@DexterMI.gov (734) 580-2233

Utility Billing: eaiken@DexterMI.gov (734) 580-2232

Administrative Assistant: btuscano@DexterMI.gov (734) 580-2230

Public Works: kaugustine@DexterMI.gov (734) 426-8530

Public Utilities: dschlaff@DexterMI.gov (734) 426-4572

Utilities After Hour Emergencies: (734) 368-5212

**Starting on March
12th, the residential
waste pick-up day
will move from
Friday to Monday.
See inside for more
information!**